

*Loan correspondent.* A lender or loan correspondent as defined at §202.2 of this title.

*Material or Materially.* Having the natural tendency or potential to influence, or when considering the totality of the circumstances, in some significant respect or to some significant degree.

*Person.* An individual, corporation, company, association, authority, firm, partnership, society, State, local government or agency thereof, or any other organization or group of people.

*Respondent.* A person against whom a civil money penalty action is initiated.

[61 FR 50215, Sept. 24, 1996, as amended at 74 FR 2751, Jan. 15, 2009]

#### § 30.15 Application of other remedies.

A civil money penalty may be imposed in addition to other administrative sanctions or any other civil remedy or criminal penalty.

### Subpart B—Violations

#### § 30.20 Ethical violations by HUD employees.

(a) *General.* The General Counsel, or his or her designee, may initiate a civil money penalty action against HUD employees who improperly disclose information pursuant to section 103 of the HUD Reform Act of 1989 (42 U.S.C. 3537a(c)) and 24 CFR part 4, subpart B.

(b) *Maximum Penalty.* The maximum penalty is \$16,000 for each violation.

[61 FR 50215, Sept. 24, 1996, as amended at 72 FR 5588, Feb. 6, 2007]

#### § 30.25 Violations by applicants for assistance.

(a) *General.* The General Counsel, or his or her designee, may initiate a civil money penalty action against applicants for assistance, as defined in 24 CFR part 4, subpart A, who knowingly and materially violate the provisions of subsections (b) or (c) of section 102 of the HUD Reform Act of 1989 (42 U.S.C. 3545).

(b) *Maximum penalty.* The maximum penalty for each violation is \$16,000.

[61 FR 50215, Sept. 24, 1996, as amended at 72 FR 5588, Feb. 6, 2007]

#### § 30.30 Urban Homestead violations.

(a) *General.* The Assistant Secretary for Community Planning and Development, or his or her designee, or the Director of the Office of Technical Assistance and Management may initiate a civil money penalty action against persons who knowingly and materially violate section 810 of the Housing and Community Development Act of 1974, as amended (12 U.S.C. 1706e), or the provisions of 24 CFR part 590, in the use or conveyance of property made available under the Urban Homestead Program.

(b) *Maximum penalty.* The maximum penalty is either twice the amount of the gross profit realized from any impermissible use or conveyance of the property, or the amount of section 810 funds used to reimburse HUD, the Department of Veterans Affairs, the Resolution Trust Corporation, or the Farmers Home Administration (or its successor agency under Public Law 103-354) for the property, whichever is greater. If the property is still held by the violator, the gross profit shall include any appreciation between the amount the violator paid for the property and its current value as determined by an independent, HUD-qualified appraiser.

#### § 30.35 Mortgagees and lenders.

(a) *General.* The Mortgage Review Board may initiate a civil money penalty action against any mortgagee or lender who knowingly and materially:

(1) Violates the provisions listed in 12 U.S.C. 1735f-14(b);

(2) Fails to comply with the requirements of §201.27(a) of this title regarding approval and supervision of dealers;

(3) Approves a dealer that has been suspended, debarred, or otherwise denied participation in HUD's programs;

(4) Makes a payment that is prohibited under §202.5(l).

(5) Fails to remit, or timely remit, mortgage insurance premiums, loan insurance charges, or late charges or interest penalties;

(6) Permits loan documents for an FHA insured loan to be signed in blank by its agents or any other party to the loan transaction unless expressly approved by the Secretary;